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SUBJECT: 2008 IAGGA: IRAQ'S Anti-Corruption Efforts in 2006-2007
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¶1. Summary. While the corrosive effects of public corruption continue to plague Iraqi society, the Government of Iraq (GOI) recently has taken a number of positive steps aimed at ameliorating this problem. Cognizant of the fact that corruption endangers the stability and security of the state, GOI has strengthened its anti-corruption agencies and moved toward improving overall governmental transparency and accountability. Moreover, U.S. government-funded assistance programs have been a crucial factor in the progress that GOI has made in combating corruption. Post continues to liaise with its Iraqi counterparts as part of its ongoing support for Iraq's anti-corruption efforts and broader civil society initiatives. End summary.

GOI Anti-Corruption Achievements

¶2. On May 3, 2007, GOI committed itself to a collection of anti-corruption measures with its formal adoption of the International Compact with Iraq. These commitments including:
-- developing merit-based practices for public sector employment,
-- launching an anti-corruption public education campaign,
-- establishing a unit to recover assets that are the proceeds of corrupt dealings, and
-- developing comprehensive internal and external controls within the government.

¶3. On January 3, 2008, GOI convened its first conference dedicated to fighting public corruption. At this event, Deputy Prime Minister Barham Saleh noted that Prime Minister Maliki has described corruption as "a great challenge" that must be the "first and basic priority for the government." The Deputy Prime Minister then presented a comprehensive year-long initiative to strengthen Iraq's resistance to corrupt practices and promote efficient and effective investigation and prosecution of corruption charges. The GOI Anti-Corruption Initiative includes the following key benchmarks:
-- improving public access to information on the expenditure of state funds,
-- enacting clear guidelines for public contracting, amending the enabling legislation for Iraq's anti-corruption agencies: (the Iraqi Inspectors General - IGs, the Board of Supreme Audit - BSA, and the Commission on Integrity - COI) to ensure inter-agency cooperation,
-- ensuring public access to reports and audits by the anti-corruption agencies, and
-- drafting a new law on administrative corruption.

Post is monitoring progress on all these benchmarks and working with its GOI partners to support these initiatives.

¶4. At the heart of the GOI's anti-corruption efforts lie Iraq's three primary anti-corruption institutions: the IGs, BSA, and COI. While the still-challenging security situation impinges on their ability to function, all three have improved certain aspects of their operations over the past two years.
-- All GOI ministries now have an Office of the Inspector General.

This accomplishment is worthy of note, as the concept of independent Inspectors General was only introduced into Iraq's political culture in 2003.

-- BSA continues to grow its audit capacity and has increased its presence in the provinces. BSA is also working more closely with COI and the IGs, and often provides audit training for new IG staffers.

-- In 2006, COI rolled out a financial disclosure program, which requires all mid- and high-level GOI officials to enumerate their assets. COI is addressing concerns voiced by some ministries and actively working to make the program more effective and less burdensome. COI's recently appointed Commissioner has also broadened the institution's focus; rather than concentrate solely on enforcement, he has repeatedly stressed his intention to reinvigorate COI's public education and transparency departments.

-- All three anti-corruption agencies currently are working with the UNDP to design comprehensive, long-term training programs for their employees.

-- The Council of Representative's Committee on Integrity also takes an active role in addressing public corruption issues.

U.S. Anti-Corruption Assistance Programs

15. U.S. officials - civilian and military - regularly engage GOI on the urgent need to attack corruption in the public sphere. The U.S. supports Iraq's struggle against corruption through assistance programs that:

-- train auditors, inspectors, and investigators in Iraq's anti-corruption agencies to recognize and investigate fraud, waste and abuse;
-- mentor Iraqi criminal investigators on the Major Crimes Task Force who are assigned to high-profile corruption cases;

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-- mentor prosecutors and judges who manage corruption-related cases in the judicial system;
-- build technical capacity and procedural safeguards in ministries and provincial and local governments to defend public resources against the threat of corruption;
-- support hotlines, which allow Iraqi citizens to report instances of public corruption without fear of reprisal; and
-- facilitate local partnerships on a neighborhood level to promote and monitor delivery of essential services.

Additionally, the Embassy's Public Affairs Section and Political Section, through its DRL-funded programs have conducted an array of programs geared toward exposing Iraqi journalists, editors, GOI officials, and journalist syndicates and unions to the styles and norms of a free press.

16. USAID continues to implement programs whose focus is on capacity development and civil society. The anti-corruption component of USAID's Tatweer project concentrates on professional training that is designed to enhance the skills of Iraq's IGs. On the civil society front, USAID's Local Governance Program II works closely with Iraq's provincial governments and the PRTs in order to promote good government and transparency. The Political Section also oversees other DRL-funded programs which provide substantial institutional training to the GOI, political parties, and civil society organizations, all of which promote good governance by strengthening the linkage between government and political party officials and staff with the Iraqi population, with an emphasis on transparency and accountability.

17. U.S. diplomatic engagement has concentrated on improving coordination among various Iraqi anti-corruption stakeholders. In 2007, post worked with GOI partners to facilitate the creation of the Joint Anti-Corruption Committee (JACC). The JACC constituted the first time GOI's main anti-corruption agencies formally coordinated their efforts both with each other and with representatives from the Council of Representatives and the Prime Minister's Office.

18. In late 2007, following an internal assessment of existing USG

anti-corruption programs and policies, Ambassador Crocker solicited the Department's support for an Embassy initiative designed to strengthen USG programs and outreach to combat corruption. (Ref B) The Ambassador proposed a restructuring of the Embassy's approach to public integrity and anti-corruption issues, including the creation of a new senior-level Coordinator for Anti-Corruption Issues. On March 11, 2008, the State Department announced the appointment of Ambassador Lawrence Benedict as Embassy Baghdad's Anti-Corruption Coordinator. He will be responsible for assisting the GOI with its battle against governmental waste, fraud, and abuse. The appointment of an Anti-Corruption Coordinator and the revitalized efforts of the Embassy's interagency Anti-Corruption Working Group demonstrate the Embassy's commitment to combating public corruption in Iraq. Ambassador Benedict will arrive at post in late March 2008 and will play an integral role in designing and implementing the Embassy's anti-corruption strategy.

Challenges Remain

19. Despite the GOI's tangible progress in many areas, much work remains to be done. Iraq still does not possess the capacity to recover public assets stolen by corrupt actors. Furthermore, the anti-corruption agencies lack the funds and trained personnel necessary to implement their mandates. These are but two of the myriad areas in need of improvement. Recent events, however, have demonstrated commitment within the government to pursue the fight against corruption in the years to come.

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